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written statement, under the penalty of perjury, affirmatively showing all of the circumstances alleged as reasonable causes for the failure. If the appropriate TTB officer determines that the failure was due to a reasonable cause and not to willful neglect, the penalty will not be assessed. If the dealer exercised ordinary business care and prudence but was nevertheless unable to comply with the requirement, then the failure was due to reasonable cause. Mere ignorance of the law will not be considered a reasonable cause.

(26 U.S.C. 5603, 5687, 6109, 6723, 6724)

§ 31.15 Disclosure of information.

Alcohol dealer registration forms are “information returns” as that term is used in 26 U.S.C. 6103 and, as such, are not subject to disclosure except as provided in that law.

(26 U.S.C. 6103)

Subpart C—Activities Subject to This Part

§ 31.21 Basis of regulation.

Persons engaging in or carrying on the business or occupation of selling or offering for sale alcoholic liquors fit for use as a beverage, or any alcoholic liquors sold for use as a beverage, are subject to the provisions of this part. The classes of liquor dealer business and the conditions under which the provisions of this part apply to them are specified in §§ 31.31 through 31.34.

§ 31.22 Selling or offering for sale.

Whether the activities of any person constitute engaging in the business of selling or offering for sale is to be determined by the facts in each case. Any manner of selling or offering for sale, even though to a restricted class of persons or without a view to profit, is within the scope of this part.

DEALERS CLASSIFIED

§ 31.31 Retail dealer in liquors.

(a) *General.* Except as otherwise provided in paragraph (b) of this section, every person who sells or offers for sale distilled spirits, wines, or beer to any person other than a dealer is a retail dealer in liquors for purposes of this

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part. Every retail dealer in liquors must comply with the registration and other requirements of this part, unless the dealer is covered by an applicable exemption under subpart D of this part.

(b) *Persons not deemed to be retail dealers in liquors.* The following persons are not retail dealers in liquors within the meaning of this part:

(1) A retail dealer in beer as described in § 31.33(a),

(2) A limited retail dealer as described in § 31.35, or

(3) A person who sells or offers for sale distilled spirits, wines, or beer only as provided in § 31.61 through § 31.64 or § 31.65(a).

(26 U.S.C. 5122)

§ 31.32 Wholesale dealer in liquors.

(a) *General.* Except as otherwise provided in paragraph (b) of this section, every person who sells or offers for sale distilled spirits, wines, or beer to another dealer is a wholesale dealer in liquors for purposes of this part. Every wholesale dealer in liquors must comply with the registration and other requirements of this part, unless the dealer is covered by an applicable exemption under subpart D of this part.

(b) *Persons not deemed to be wholesale dealers in liquors.* The following persons are not wholesale dealers in liquors within the meaning of this part:

(1) A wholesale dealer in beer as described in § 31.34(a);

(2) A person who sells or offers for sale distilled spirits, wines, or beer only as provided in §§ 31.61 through 31.64, § 31.65(a), or § 31.66; or

(3) A person returning liquors for credit, refund, or exchange as provided in § 31.67.

(26 U.S.C. 5121)

§ 31.33 Retail dealer in beer.

(a) *General.* Except as otherwise provided in paragraph (b) of this section, every person who sells or offers for sale beer, but not distilled spirits or wines, to any person other than a dealer is a retail dealer in beer for purposes of this part. Every retail dealer in beer must comply with the registration and other requirements of this part, unless the

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dealer is covered by an applicable exemption under subpart D of this part.

(b) *Persons not deemed to be retail dealers in beer.* The following persons are not retail dealers in beer within the meaning of this part:

(1) A limited retail dealer as described in § 31.35, or

(2) A person who does not sell or offer for sale distilled spirits or wines and sells beer or offers beer for sale only as provided in § 31.61 through § 31.63 or § 31.65(a).

(26 U.S.C. 5122)

§ 31.34 Wholesale dealer in beer.

(a) *General.* Except as otherwise provided in paragraph (b) of this section, every person who sells or offers for sale beer, but not distilled spirits or wines, to another dealer is a wholesale dealer in beer for purposes of this part. Every wholesale dealer in beer must comply with the registration and other requirements of this part, unless the dealer is covered by an applicable exemption under subpart D of this part.

(b) *Persons not deemed to be wholesale dealers in beer.* The following persons are not wholesale dealers in beer within the meaning of this part:

(1) A person who does not sell or offer for sale distilled spirits or wines and sells beer or offers beer for sale only as provided in §§ 31.61 through 31.63, § 31.65(a), § 31.66, or § 31.67; or

(2) A person returning beer for credit, refund or exchange as provided in § 31.56.

(26 U.S.C. 5121)

§ 31.35 Limited retail dealer; persons eligible.

Any person selling distilled spirits, beer, or wine, or any combination thereof, to members, guests, or patrons of bona fide fairs, reunions, picnics, carnivals, or similar outings, and any fraternal, civic, church, labor, charitable, benevolent, or ex-servicemen's organization selling distilled spirits, beer, or wine, or any combination thereof, on the occasion of any kind of entertainment, dance, picnic, bazaar, or festival held by it, is a "limited retail dealer" if the person or organiza-

tion is not otherwise engaged in business as a dealer.

(26 U.S.C. 5122)

§ 31.36 Sales of 20 wine gallons (75.7 liters) or more.

Any person who sells or offers for sale distilled spirits, wines, or beer, in quantities of 20 wine gallons (75.7 liters) or more, to the same person at the same time, shall be presumed and held to be a wholesale dealer in liquors or a wholesale dealer in beer, as the case may be, unless the seller shows by satisfactory evidence that the sale, or offer for sale, was made to a person other than a dealer.

(26 U.S.C. 5121)

CERTAIN ORGANIZATIONS, AGENCIES, AND PERSONS

§ 31.41 Clubs or similar organizations.

(a) Subject to paragraph (b) of this section, a club or similar organization is a dealer for purposes of this part if the club or organization:

(1) Furnishes liquors to members under conditions constituting a sale (including the acceptance of orders therefor, furnishing the liquors ordered and collecting the price thereof); or

(2) Conducts a bar for the sale of liquors on the occasion of an outing, picnic, or other entertainment, unless the club is a "limited retail dealer" described in § 31.35. The registration of the proprietor of the premises where the bar is located will not relieve the club or organization from its own obligation to register; or

(3) Purchases liquors for members without prior agreement concerning payment therefor and such organization subsequently recoups those costs.

(b) Compliance with the registration and other requirements of this part is not required if money is collected in advance from members for the purchase of liquors, or if money is advanced for the purchase of liquors pursuant to an agreement with the members for reimbursement.

(26 U.S.C. 5122)